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SUBJECT: AMBASSADOR ADVOCATES FOR U.S. FIRMS WITH INTERIOR
MINISTER

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information.

11. (SBU) The Ambassador met with Interior Minister Pisanu
July 29 to discuss the DOE Megaports Initiative (septel). He
used the occasion to advocate for three U.S. firms with
business before the Ministry of Interior: Lion Apparel,
Motorola, and MD Helicopters.

Lion Apparel

12. (SBU) The Interior Ministry is preparing tender documents
on a service contract for protective clothing and gear for
the 29,000 firefighters of the Italian Fire Brigades. The
Ambassador urged the Minister to consider Lion Apparel for
this contract. He noted that the Lion system would not only
provide improved safety to the Fire Brigades, but would
result in significant cost savings. Moreover, it would create
jobs in Italy. He asked that the Minister ensure that Lion
has a fair chance to bid.

13. (SBU) Minister Pisanu responded that the Fire Brigades had
already examined Lion's proposal, and he had asked that Lion
be invited to participate in the September tender. The only
question that remained was the compatibility of the Lion
system with the Fire Brigades system. The technical issues
needed to be thoroughly examined and resolved. Lion would,
however, certainly have a fair chance to compete.

Motorola

14. (SBU) Motorola is teaming with Italy's Finmeccanica to
supply Terrestrial Trunked Radio (TETRA) technology for a
public safety and emergency mobile communication system for
the police, Carabinieri, Guardia di Finanza and Forestry
Corps. The Ambassador told the Minister that he had followed
closely the efforts of Finmeccanica and its partner Motorola
to conclude a contract with the Ministry on a mobile
communications network. He asked that the Minister: (1) make
this network a priority; (2) ensure that contract discussions
are concluded between the Ministry and Finmeccanica; and (3)
ensure that the Finance Ministry confirm the availability of
funding for the first phase of the project.

15. (SBU) Minister Pisanu responded by stressing that he
personally was the principal supporter for a nationwide
network using TETRA technology. So committed was he to this
concept that he had stopped a tender in the Campagna region
for a network based on different technology. The only
problem was money. The Minister did not have sufficient
money in the Ministry of Interior budget for this purpose.
He had asked for supplemental funds for this purpose, but had
not received them. If funding could be found, the network
could go forward.

MD Helicopters

16. (SBU) The Ambassador told the Minister that MD Helicopters
had kept him informed of the Ministry's efforts to procure
light, twin-engine helicopters. MD Helicopters' model was
quite competitive, with an excellent safety record, superior
performance characteristics, and lower life cycle costs.
The Ambassador said it was a disappointment when the Ministry
chose to move from an open tender to confidential
negotiations with Agusta for this procurement. MD continues
to challenge the Interior Ministry's negotiated procurement
of Agusta helicopters in Italian courts. The Ambassador noted
that Italian courts have upheld MD Helicopters' challenges,
and asked whether court decisions in MD's favor would cause
the Ministry to open all of these procurements to public
tender. He urged the Ministry to open the bidding so these
procurements take place on a fair basis. Not only would this
not compromise Italian security concerns, but it would
benefit Italian civil protection forces by getting them the
right product at the right price.

17. (SBU) Minister Pisanu answered that he would have to thoroughly review the file and come back to the Ambassador on this issue at a later time. He had not kept up with the various legal cases, and was not in a position to respond immediately. His basic view, however, was that private

negotiation rather than an open tender was the right avenue for this procurement. The procurement was for helicopters as a platform for confidential equipment. The Carabinieri and Guardia di Finanza were militarized forces. The Ambassador pointed out that the Fire Department was not militarized. The Minister replied that he "would not exclude" that the Fire Department procurement could be handled separately through an open tender. However, he preferred to wait and discuss this matter with the Ambassador after thoroughly reviewing the files.

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